

- 4 The Annuity may provide for payments to the annuitant for the lives jointly of the annuitant and his spouse and to the survivor of them for his or her life.
- 5 Under a Retirement Savings Plan Annuity, the income as received must be included when calculating taxable income for the year it is received.
- 6 Should the annuitant die before commencing to receive the Annuity, a total income tax deduction of 15% is made from the return benefits (premiums plus interest to his credit).

ROGER DUHAMEL, F.R.S.C., Queen's Printer
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DIRECTOR OF ANNUITIES
DEPARTMENT OF LABOUR
OTTAWA 4, CANADA

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— YOU CAN MAIL THIS COUPON POSTAGE FREE —

CANADIAN GOVERNMENT ANNUITIES
afford a most attractive way of:

Providing a retirement income for yourself.

Supplementing an employer-employee pension plan.

Integrating your Annuity income with Old Age Security. (The purchaser of a Deferred Annuity on the Life Plan or on a Guaranteed Plan will have the option shortly before maturity of his contract to request that the annuity be paid in an increased amount from commencement and reducing by the amount of Old Age Security when that becomes payable. The exercise of this option will give the annuitant a higher Annuity initially, and in conjunction with Old Age Security, provide him with a higher level income for life from the time his Annuity payments begin.)

A Canadian Government Annuity is fully portable. You can change jobs, move, do what you will, and still pay into your Annuity without loss of value.

The rates for Canadian Government Annuities are most favourable since every dollar you pay in goes towards the purchase of an Annuity.

Premiums may be conveniently paid at any accounting Post Office or mailed directly to the Director of Annuities in Ottawa.

For detailed information and assistance in selecting the plan best suited to your circumstances, communicate with the Canadian Government Annuities Representative in your district, or complete the coupon inside and forward it to the Director of Annuities in Ottawa.

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SAVE...

YOUR INCOME TAX

WITH A GOVERNMENT ANNUITY
REGISTERED RETIREMENT
SAVINGS PLAN

CANADIAN GOVERNMENT ANNUITY
PREMIUMS ARE DEDUCTIBLE
FOR TAX PURPOSES
WITHIN CERTAIN LIMITS

Canadian Government Annuities Branch
Department of Labour
Ottawa

superceded

A CANADIAN GOVERNMENT ANNUITY contracted for by a taxpayer on his own life, qualifies for registration as a Retirement Savings Plan under the Income Tax Act.

This means that any taxpayer, including self employed persons such as doctors, lawyers, merchants or farmers, is allowed the tax advantage formerly available only to employees contributing to Registered Pension Plans.

The amount deductible is subject to the following conditions:

—If you are not a member of a Registered Pension Fund or Plan, you may deduct Canadian Government Annuities premiums up to 20% of earned income, but not exceeding \$2,500.00 a year.

—If you are a member of a Registered Pension Fund or Plan, you may deduct your payments thereunder plus those toward the purchase of a Canadian Government Annuity. The combined payments may not exceed 20% of your earned income, to a maximum of \$1,500.00 a year.

Request for registration is normally made when applying for the Annuity.

In addition, there is also provision for the tax free transfer of funds from a Registered Pension Fund or Plan to the Annuities Branch, for credit to a DEFERRED Registered Annuity, or for the purchase of an IMMEDIATE Annuity registered as a Retirement Savings Plan.

CANADIAN GOVERNMENT ANNUITIES RETIREMENT SAVINGS PLANS

Several general types of Canadian Government Annuities conform to the requirements for registration as Retirement Savings Plans under the Income Tax Act:—

DEFERRED LIFE ANNUITY . . . When you reach the age you selected to commence receiving the annuity it will be paid in regular monthly instalments as long as you live.

DEFERRED LIFE ANNUITY GUARANTEED . . . When you reach the age you selected to begin receiving the annuity it will be paid in regular monthly instalments as long as you live, or for 5, 10 or 15 years, in any event. If death occurs after the annuity commences and before the guarantee period expires the annuity will be paid for the balance of the guaranteed period to your estate or named beneficiary.

DEFERRED CONTINGENT SURVIVOR . . . Under this plan the Annuity is usually purchased on the lives of husband and wife, one of whom pays the premiums and claims the Income Tax deduction. Upon maturity it is payable to the taxpayer so long as he or she lives and continues for the life of the survivor. Should one annuitant die before the annuity payments begin, the Annuity is based on the life of the survivor.

Deferred Annuities, on any plan, may be purchased by (periodic premiums (monthly, quarterly or annual) or by a lump sum or a combination of both.

IMMEDIATE ANNUITIES—Single Life or Joint,—registered as a Retirement Savings Plan, may be purchased with money transferred to this Branch tax free, from a Registered Pension Plan or Fund. This type of Annuity is purchased by a single payment and the annuity payments start (usually) one month from date of transfer.

GOVERNMENT ANNUITIES CONFORM TO THESE IMPORTANT PROVISIONS OF THE INCOME TAX ACT CONCERNING RETIREMENT SAVINGS PLANS

- 1 All funds contributed to a Registered Retirement Savings Plan must be used for the purpose of providing a life Annuity income.
- 2 The Annuity, with or without a guarantee not exceeding 15 years, must be paid in monthly or other periodic instalments for the lifetime of the annuitant.
- 3 The contract may mature at any age not later than the annuitant's 71st birthday.

(Please See Overleaf)

For full particulars on the annuity plan you prefer complete this coupon which may be mailed, or enclosed in an envelope, postage free, to:

THE DIRECTOR,
CANADIAN GOVERNMENT ANNUITIES,
DEPARTMENT OF LABOUR, OTTAWA

My name is _____
(Mr./Mrs./Miss)

Address _____

I wish income to commence at age _____
Date of Birth _____ Day _____ Month _____ Year _____
Telephone _____

I understand that information given will be held strictly confidential.
G.A. 145 (7-65)